

**MINUTES OF THE
HANOVER BOROUGH COUNCIL WORKSHOP/
FINANCE & PERSONNEL COMMITTEE MEETING**

July 21, 2021

Chairperson Dr. Rupp called the Hanover Borough Council Workshop & Finance & Personnel Committee meeting to order Wednesday Evening, July 21, 2021 at 7:05 PM, as advertised, in the Hanover Borough Municipal Building, 44 Frederick Street, Hanover, PA, as advertised. Community Media was present to conduct a video and audio of the meeting via zoom presentation for all citizens to have access.

Dr. Rupp acknowledged that an executive session was held beginning at 6:00 PM prior to this evening's regular meeting.

Attendance: On roll call, the following Council Members were present: Mr. Chesney, Mrs. Funk, Mr. Hoover, Mr. Kress, Mr. Lockard, Ms. Pranses, Mr. Reichart, Mr. Roland and Dr. Rupp; Solicitor Shultis; Manager Dunford, Secretary Felix, Human Resource Manager Hill, Planning & Engineering Director Mains, Police Chief Martin and Finance Director Miller. Mr. Hegberg was present via virtual access.

Solicitor Shultis acknowledged that an Executive Session was held at 6:00 PM prior to this evening's regular meeting under Section 708 a(1) and (5) of the Sunshine Act.

PUBLIC COMMENT

Jim Baumgardner, 308 Grant Drive: Stated his opposition to the approval of the Primrose Lane Conditional Use application. He believes certain attachments need to be added to the conditions of approval, and with short term rental units in general. Mr. Baumgardner proposed that Council make an amendment to the ordinance that short term rental uses must comply with the primary uses of that zone. Short term rentals should be for a residence, not a venue. He noted his support for denial of the conditional use, concerned it will establish a precedent. He also pointed out that 10 parking spaces do not fit as laid out on the plan and he is concerned about pervious pavement not being feasible as proposed.

Mike Fiery, 453 Deerfield Drive: Thanked Council for serving. Concerned about use of a commercial venue in an R-1 zone, opposed to the approval of the conditional use on Primrose Lane. This approval will set a precedent. Concerned with possible lawsuits.

CONSENT AGENDA

It was moved by Mr. Reichart, seconded by Mr. Chesney to approve the following items on the Consent Agenda:

- a. Minutes: Approval of Minutes June 16, 2021
- b. Finance Reports:
 - i. Approve Bills for Payment
 - ii. Accept Monthly Financial Statement
 - iii. Accept Report of Monthly Investments (*Revised for additional \$336,100 Sewer investment*)
- c. High Pointe Development, Phase S-2/S-3: Approve Water Service Agreement
- d. Special Event Permit Applications:
 - i. Approve Pinky's Barbeque 1 Year Anniversary on Bank Lane, August 15, 2021
- e. Market House Leases
 - i. Diane Myers Wooden Crafts: Approve 6-month lease
 - ii. Jessie's Sweet Treats: Approve 6-month lease
 - iii. Dorothy Long Knick Knacks: Approve 6-month lease

Motion carried.

PRESENTATION

In Borough Water Rates: Finance Director Miller reviewed a PowerPoint presentation for cost of service and consideration of water rate increase beginning in Spring 2022; and asked for Council to provide direction on 2022 Budget.

The last water rate increases were in 2013 and 2015 – helped to fund each phase of the reconstruction of the Water Filtration Plant.

Cost of Service Analysis was performed by Gannett Fleming for long term investment strategy.

On June 29, 2021, the rate case was submitted to PUC for 1.5 million increase for those areas on the water system that are located outside of the Borough. The process is anticipated to take about 7 months. Notification letters were sent to those property owners affected on the water system outside the Borough.

Mr. Miller noted the Borough is aggressively investing in underground infrastructure of water main cement lining and water line replacements. He noted there are 205 miles of

water mains on the system. The rate increase is being built to fund better investment in this long term plan.

Costs for a rate increase are expensive, approximately \$400,000 - \$500,000, with inclusion of engineering and legal fees.

Average residential household if full rate increase would be given would be \$18.00 per quarter, which is still \$47.00 less per quarter than York Water.

National average is \$212.79 per quarter at 5,000 gallons average use.

Hanover Borough water rates: Not controlled by PUC, but need to discuss a potential increase. Inside water rates are usually determined after the PUC rate increase is approved. If the outside Borough residents comprise 2/3 of the water usage, the inside Borough would be 1/3; so therefore, the inside Borough rates are adjusted accordingly.

Mr. Lockard suggested that a portion of the American Rescue Act funds could be spent on water infrastructure, to thereby reduce the proposed water rate increase.

Finance Director Miller described the PUC (DSIC) Distribution System Investment Charge Program. Small incremental surcharges could be added on customer bills in relation to infrastructure investment, without going back through the PUC process for a formal rate increase. The charges cannot be implemented until funds are spent and submitted to the PUC.

Mr. Roland would like to see overall cost reduction; not in favor of an increase of in-Borough rates.

Mr. Miller asked Council for guidance next month in preparation of the 2022 budget on the potential inside Borough water rate increase.

Dr Rupp asked Council members for feedback.

Ms. Pranses would like to wait until the PUC increase is determined, to set the inside-Borough increase rate.

Mr. Hegberg asked if the proposed DSIC rate applied to outside the Borough or all customers; Mr. Miller replied the DSIC applies outside, but similar change could be made inside as well.

Mr. Hegberg asked if a sewer rate increase would be anticipated in 2022; Mr. Miller responded that a sewer rate increase would not need to be considered for several years.

Dr. Rupp thanked Mr. Miller for his presentation.

WATER AND SEWER COMMITTEE

Kitzmilller Dam: Finance Director Miller summarized the need for the project to authorize design, planning and bid phase services for dam rehabilitation with Gannett Fleming for \$101,100 to begin in 2021, with estimated \$275,000 for construction and related management pending DEP approval.

Bill Kingston and Mike Mehaffey from Gannett Fleming was present virtually for questions.

Mr. Hegberg stated he felt that the 30% cost ratio of engineering to construction costs is excessive.

Mr. Mehaffey stated that the project requires the same permitting process and related costs with DEP as a larger dam project. If in-house staff is utilized, then costs could potentially be reduced. This proposal assumes a full-design package will be utilized.

Council agreed to send the project back to the Water & Sewer Committee for further discussion and recommendation.

FINANCE, PERSONNEL AND ADMINISTRATION

Administrative Assistant: Manager Dunford summarized a PowerPoint presentation and asked for approval to fill an administrative assistant position in the Finance Department, which would be shared with the Borough Manager.

The request was brought before Borough Council in June. Council requested additional information, and Manager Dunford compiled a more detailed presentation.

She gave an in-depth analysis on the managerial work of the Finance Department, in close work with the Borough Manager. She noted this department provides most of the customer service and provides support to all funds. In depth "desk audits" were completed by the HR Manager on the employees within the department, and each employee was personally interviewed as to duties and flow of work to justify the need for the position.

Ms. Dunford described the various improvements made within the department since 2014 and related savings completed by Mr. Miller, and the additional duties he has taken on. Overall office staff has been significantly reduced, and a gap exists in which increased

support is necessary. There are 7 full time office staff at present and one part time receptionist; soon to be reduced to 7 with the loss of the receptionist; proposed increase is for a total of 8 staff, or an increase of .5 from the present staff.

Manager Dunford described the role of each staffing position in the department.

Mr. Roland asked for the benefit cost percentage per employee; staff will respond with this information.

It was moved by Ms. Pranses, seconded by Mr. Chesney to move the approval to fill the position of Administrative Assistant in the Finance Department to the Council agenda for consideration. Mr. Roland and Mrs. Funk voted in opposition to the motion. Motion carried.

Manager Dunford provided the list of employees within the department.

Dr. Rupp thanked Manager Dunford for all of her additional information.

Police Personnel: Police Chief Martin asked Council to authorize the Civil Service Commission to certify an eligibility hiring list. He noted the testing process has been completed; one officer is leaving this week. The department is currently down 2 officers. There were 29 personnel in 2017. 2 additional retirees' positions have not been filled; so the department is down to 26 officers.

It was moved by Mr. Reichart, seconded by Mrs. Funk to move the authorization of the Civil Service Commission to certify an eligibility hiring list to the Council agenda for consideration. Motion carried.

Codes Officer: Manager Dunford asked Council for approval to fill a vacancy in a full-time position with substitute part-time position until 12/31/21 at a rate of \$25.00 per hour; with reconsideration of staffing for 2022. It was moved by Mr. Reichart, seconded by Mrs. Funk to move the approval of the part time codes officer to the Council agenda for consideration. Motion carried.

Quarterly Borough Goals: Manager Dunford provided a quarterly report for progress on Borough Goals and asked Council for their comment. Dr. Rupp thanked Manager Dunford for the report, noting it will be a useful reference for Council as the year progresses.

Critical Projects List: Manager Dunford requested Council to approve the list as a starting point for staff to prepare project proposals for Borough Council, in light of availability of American Rescue Act funds. She noted this effort is only a first step, as Borough Council has directed staff to develop initial priorities. She noted all of the \$7.5 million should qualify for general government purposes. Manager Dunford presented the list of projects

and asked for comments and approval for staff to begin work. The Committee consensus was to adopt 7/28; Manager Dunford will forward details to Council.

Audit Contract: Finance Director Miller requested Council approve an extension of the current contract with Hamilton Musser for audits for 2021, 2022, and 2023. Proposal cost is under others that were received in the first round. It was moved by Mrs. Funk, seconded by Mr. Roland to move the approval of an extension of the current contract with Hamilton Musser to the Council agenda for consideration. Motion carried.

Mr. Miller noted that this firm has completed their first 3 years with the Borough and staff is pleased with their performance; staff will get proposals near the end of 2026 when this 3 year contract ends to ensure rates are on track.

DEPARTMENT OF PLANNING AND ENGINEERING

Maryland Department of Natural Resources: Planning & Engineering Director Mains reviewed the Wildlife Management Agreement with officials from the Maryland Department of Natural Resources. He asked Council to approve the renewal of the agreement, noting it has been in place for many years, and he is in favor of the terms of the agreement. He noted there are 300+ acres of watershed in Maryland that the agreement covers. It was moved by Mrs. Funk, seconded by Mr. Chesney to move the approval of the renewal of the Maryland Wildlife Agreement to the Council agenda for consideration. Motion carried.

Railroad Street / Bank Lane: Mr. Mains asked Council to approve conceptual layout of outdoor dining area(s), which encourages exposure of businesses in line with the original COVID policies. Mr. Mains turned over to Main Street Manager Trucksess and Karla Farrell, urban planner & landscape architect. The concept evolved from COVID policy into the outdoor dining experience. Mrs. Trucksess referred to the downtown green alley ring, which was addressed in the streetscape study which grew into this proposal. Outside funding was gathered for Ms. Farrell for her design expertise to put together the plan which would require Council's approval in order to move forward. Ms. Trucksess has met with all adjacent neighbors on the alley for their input and their blessing for the proposed improvements. Ms. Farrell noted the plan includes removable bollards (filled with water) and tables for seating on Thursdays, Fridays and Saturdays; similar plans have been developed in major cities, which promote traffic calming; and the entire area will be ADA compliant.

Mr. Chesney asked for the width of the proposed seating space; Ms. Farrell responded 6 ft – 8ft.

Mrs. Trucksess noted this plan could be a considered a pilot project for other alleyways to be developed in the future.

Mr. Hegberg asked about the aesthetics, as it relates to the permanence of the area. Ms. Farrell responded the bollards and tables will be orange in color, and thereby capturing the motto "*embrace the orange.*" The short term project should come first, and then could be adjusted with any proposed changes.

Mr. Chesney noted it is good to implement the temporary plan first to make sure it is feasible and safe, then follow with a permanent plan.

It was moved by Mr. Roland, seconded by Mr. Chesney to move the approval of the outdoor dining concept for Bank Lane and Railroad Street to the Council agenda for consideration. Motion carried.

Update on Eisenhower Drive Extension: Mr. Mains asked Council to approve a letter requesting that the York Area Metropolitan Planning Organization (YAMPO) in coordination with the York County Planning Commission, modify their previous resolution (which only objects to the TSM) to indicate support for the 5C alternate route. It was moved by Ms. Pranses, seconded by Mrs. Funk to move the approval of the letter to YAMPO to the Council agenda for consideration. Mr. Roland voted in opposition to the motion. Motion carried.

Library Roof Replacement Project: Mr. Mains asked for Council to delay taking action until next month on extension of the contract with Bucharth Horn Architects since recent developments indicate that ARPA funding may require that an RFP be issued before moving forward.

Growing Greener Project with University of Delaware: Mr. Mains asked Council to approve the Research Agreement with the University of Delaware to accept grant funding; Solicitor Shultis is currently reviewing the proposed agreement. The project is at Hanover High School and is fully funded by a grant. It was moved by Ms. Pranses, seconded by Mr. Roland to move the item to the Council agenda, following the Solicitor's review. Motion carried.

Hanover Housing Corporation: Solicitor Shultis explained the request to allow an escrow agreement for cash security, regarding the plan that was approved by Council last month. It was moved by Mr. Hoover, seconded by Mr. Roland to move the item to the Council agenda. Motion carried.

GOVERNANCE COMMITTEE:

Policy on Borough Council / Staff Relations: Dr. Rupp reported that this plan is being revised, and will be brought back for Council review next month.

PUBLIC WORKS COMMITTEE:

Long Term Capital Plan:

- Mr. Mains provided the Borough Council Poll Results along with the previous results from the Committee for priorities on the Long Term Capital Plan, in order to satisfy the opportunity for all Council members to participate in the poll. Any questions, please contact Mr. Mains.
- Ms. Pranses asked for more information on the model for the capital plan for public building projects valued at \$500,000 or more. Mr. Mains noted the capital plan will provide a starting point and an assurance that Council is moving in the right direction; not solidifying things that cannot change, but allowing acknowledgement of the work of the Public Works & Facilities Committee. He noted the capital plan will be a continued discussion moving forward. Ms. Pranses considered if there was an objection to a particular piece, they should not vote to approve. It was moved by Mr. Roland, seconded by Mrs. Funk to move the acceptance of the model for the capital plan for public building projects that are valued at \$500,000 or more to the Council agenda. Ms. Pranses voted in opposition to the motion. Motion carried.
- Finance Director Miller summarized the proposed contract with Public Financial Management (PFM) in the amount of (not to exceed) \$38,000 to develop alternatives for funding of major building projects, in order to move forward with the above-mentioned capital plan. With expected grant through the state, the Borough's net cost would be \$19,000. It was moved by Mrs. Funk, seconded by Mr. Hoover to move the approval of the PFM funding contract to the Council agenda for consideration. Motion carried.

PLANNING COMMISSION

Robert J. Massaroni Jr. Plan for 228 Broadway / 229 East Chestnut Street Subdivision Plan: Planning & Engineering Director Mains summarized the plan for 228 Broadway / 229 E. Chestnut Subdivision Plan (2 lots), which was recommended by the Planning Commission, and has gone through approval process by the Zoning Hearing Board. It was moved by Mr. Roland, seconded by Mrs. Funk to move the approval of a two-lot subdivision as recommended by Planning Commission to the Council Agenda. Motion carried.

Appointments to Planning Commission: Solicitor Shultis noted that there are 2 terms expiring at the end of this month. Discussed the process for making appointments to Planning Commission and the need to adjust the terms to 4 years as per the PA Municipalities Planning Code.

Mr. Roland proposed that the Planning Commission either recommend reappointment of existing members or suggest solicitation for new members. Mr. Reichart suggested making an opportunity for the public to apply for the expiring positions, and the importance of keeping the public involved. It was moved by Mr. Reichart, seconded by Mr. Hoover to work in coordination with the Planning Commission to advertise the positions for consideration. Motion carried.

NEW BUSINESS

Consent Agendas - Dr. Rupp asked for input - request was for Council to review for continuance of utilizing consent agendas. Dr. Rupp reiterated that the practice has been that any Council member may ask for any item to be excluded from the consent agenda for a separate motion, prior to voting.

Manager Dunford reported a proposed Lunch and Learn Program for senior citizens at the Library. Windy Hill Senior Center asked the County Commissioners for funding from the American Rescue Act to reestablish the seniors program at the Library, which will be staffed by Windy Hill. No funding is needed from the Borough.

Dr. Rupp asked for clarification on how citizens can sign up for "Notify Me" on the Borough website which provides for email or text notification for agendas, news, bids, jobs and calendar items. Dr. Rupp asked for these instructions to be placed to be on the cover of the next Borough newsletter. Secretary Felix noted that instructions were also placed as a news item on the website and on the Borough's Facebook page.

Manager Dunford noted that a new reporter from the Evening Sun met with Manager Dunford and Secretary Felix today, and provided contact information for publication of press releases and news items.

ADDITIONAL PUBLIC COMMENT

Main Street Manager Trucksess commented that she signed up for Notify Me on the Borough website and is able to download items directly. She created an account and fully utilizes this service, as it is very easy and efficient.

Mr. Hegberg asked whether citizen notices are sent for public hearings, i.e., zoning, conditional use, etc. Dr. Rupp verified that citizens are notified within 200'; postings occur on the property and on the website and are officially advertised in the Evening Sun.

Chairman Rupp reminded all of the following upcoming meetings:

- Conditional Use Decisional Hearing: will occur at July 28th Council meeting.
- Congressman Smucker's Visit: August 6. The visit will begin at the Municipal Building with Borough representatives at 11 am; please advise Borough Secretary if you will attend.

August Committee Meetings*:

- Public Safety: August 2nd - 6 PM
- Public Works: August 11th - 6 PM
- Water/Sewer August 12th - 6 PM

** Meetings will be cancelled if there is no business. Please advise the Borough Secretary if you will be unable to attend any meetings.*

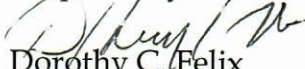
Chairman Rupp thanked all for their attendance this evening, and the meeting temporarily adjourned at 9:17 PM to an Executive Session under 708 a(1), (3) & (5) of the Sunshine Act.

The meeting reconvened at 10:09 PM.

ADJOURNMENT

It was moved by Mr. Roland, seconded by Mrs. Funk to adjourn the meeting at 10:10 PM. Motion carried.

Respectfully submitted,


Dorothy C. Felix
Borough Secretary